

Message Text

CONFIDENTIAL

PAGE 01 MOSCOW 01075 261112Z

17/43

ACTION EUR-12

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-04 H-02 INR-07 L-03

NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15 USIA-06 EB-07

COME-00 TRSE-00 SAM-01 NEA-10 IO-11 /088 W

----- 031105

R 240957Z JAN 76

FM AMEMBASSY MOSCOW

TO SECSTATE WASHDC 9062

INFO AMEMBASSY BELGRADE

AMEMBASSY BERLIN

USMISSION BERLIN

USMISSION EC BRUSSELS

AMEMBASSY BUDAPEST

AMEMBASSY BUCHAREST

AMEMBASSY LONDON

AMCONSUL MUNICH

USMISSION NATO

AMEMBASSY PARIS

AMEMBASSY PRAGUE

AMEMBASSY SOFIA

AMEMBASSY WARSAW

C O N F I D E N T I A L MOSCOW 1075

C O R R E C T E D C O P Y (CORRECT PARA 1. LINE TEN WORD THREE
TO READ "UNTIL" VICE "BECAUSE")

E.O. 11652: GDS

TAGS: PFOR, COMECON, EEWT, UR, RO

SUBJ: INOZEMTSEV ON CEMA SUMMIT, SOVIET PARTICIPATION IN SOLUTION
OF WORLD ECONOMIC PROBLEMS

1. SUMMARY - DURING JANUARY 22 CONVERSATION N. N. INOZEMTSEV, DIR-
ECTOR OF USSR INSTITUTE OF WORLD ECONOMICS AND INTERNATIONAL
RELATIONS, COMMENTED THAT CEMA SUMMIT WILL TAKE PLACE DURING SUMMER OF
1976,
STRESSED ADVANTAGES FOR EAST EUROPEANS OF CENTRALIZED MACHINERY PRO-
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 MOSCOW 01075 261112Z

DUCTION, AND SUGGESTED THAT ROMANIANS WILL EVENTUALLY PARTICIPATE

IN MOST CEMA PROJECTS. ON POSSIBLE CEMA-EC COOPERATION HE NOTED APPARENT EC LACK OF INTEREST BECAUSE OF ITS OWN ECONOMIC DIFFICULTIES. HE INDICATED THAT ALTHOUGH THE USSR IS MOVING TOWARD INCREASED PARTICIPATION IN WORLD ECONOMIC INSTITUTIONS, IT CANNOT YET PARTICIPATE FULLY UNTIL ITS OWN ECONOMY IS FURTHER DEVELOPED.
END SUMMARY

2. AT SECRETARY'S LUNCHEON FOR GROMYKO JANUARY 22, INSTITUTE OF WORLD ECONOMICS AND INTERNATIONAL RELATIONS DIRECTOR (AND CPSU CC CANDIDATE MEMBER) N.N. INOZEMTSEV TOLD EMBOFF (AND REPEATED WHEN QUESTIONED) THAT CEMA SUMMIT WOULD DEFINITELY TAKE PLACE "THIS SUMMER." HE SAID TOPICS WOULD INCLUDE FURTHER STEPS TO PERFECT COORDINATION IN ACCORDANCE WITH COMPLEX PROGRAM, ESPECIALLY IN AGRICULTURE AND MACHINE-BUILDING.

3. ON MACHINE-BUILDING, INOZEMTSEV SAID COORDINATION OF PRODUCTION FOR BETTER DIVISION OF LABOR ALONG EFFICIENCY LINES WAS ADVANTAGEOUS TO EAST EUROPEANS BECAUSE IT GUARANTEED THEM SHARE OF LARGE SOVIET MARKET FOR THEIR PRODUCTS, WHICH THEY OFTEN COULD NOT SELL IN THE WEST. ASKED WHETHER ROMANIA WOULD PARTICIPATE, HE SAID THIS WAS NOT YET CLEAR, BUT PARTICIPATION WOULD IN ANY CASE BE ON "INTERESTED PARTY" BASIS. HE ADDED THAT ROMANIANS OFTEN STAYED OUT OF PROJECTS AT FIRST, THEN DECIDED TO JOIN THEM WHEN THEY REACHED THE PRACTICAL STAGE.

4. ASKED WHETHER GUARANTEES FOR CONTINUED DELIVERIES TO EE PARTICIPANTS IN CEMA RAW MATERIALS PROJECTS IN USSR AFTER INITIAL INVESTMENT PAID OFF IN PRODUCT WAS A PROBLEM, INOZEMTSEV DENIED IT WAS, SINCE VARIOUS PROJECTS HAD VARIOUS ARRANGEMENTS, AND CONTINUING DELIVERIES AFTER INITIAL PAYBACK WAS POSSIBLE.

5. ASKED ABOUT CEMA-EC TIES, INOZEMTSEV TURNED POINT OF QUESTION (ROMANIAN INSISTENCE ON RIGHT TO MAINTAIN BILATERAL TIES WITH EC) BY RECALLING THAT HIS INSTITUTE HAD BEEN IN FOREFRONT OF THOSE ARGUING FOR TIES WITH EC HERE, BUT EC DID NOT SEEM CURRENTLY INTERESTED. HE OPINED THAT PROPOSAL TO ESTABLISH TIES CAME AT A BAD TIME FOR EC, WITH ECONOMIC CRISIS AND MULTIPLICATION OF INTERNAL DISPUTES REINFORCING FEARS OF OPENING TO EAST.

6. ON SOVIET PARTICIPATION IN INTERNATIONAL FINANCIAL INSTITUTIONS,
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 MOSCOW 01075 261112Z

INOZEMTSEV SAID QUESTION WAS STILL BEING STUDIED, INTER ALIA BY HIS INSTITUTE, AND HE DID NOT EXPECT DECISIONS TO BE ANNOUNCED IN CONJUNCTION WITH CPSU PARTY CONGRESS. SOVIET UNION WAS MOVING, BOTH THEORETICALLY AND PRACTICALLY, IN DIRECTION OF GREATER PARTICIPATION IN WORLD ECONOMIC AFFAIRS. BUT WHILE THEORETICAL PROBLEMS ARISING IN WAR AND POSTWAR PERIOD (BY WHICH HE SAID HE MEANT EXTREME ECONOMIC ISOLATION) HAD BEEN "SOLVED," IN PRACTICAL TERMS USSR COULD NOT INCREASE ITS PARTICIPATION SUB-

STANTIALY UNTIL IT DEVELOPED GREATER RESERVES OF GOODS AND PERSONNEL THAN ECONOMY WAS NOW CAPABLE OF PRODUCING.

7. COMMENT - REGARDING INOZEMTSEV STATEMENT THAT CEMA SUMMIT WILL DEFINITELY TAKE PLACE THIS SUMMER, EMBASSY NOTES THAT ANNUAL CEMA COUNCIL MEETING IS ALSO SCHEDULED TO TAKE PLACE THIS SUMMER. COUNCIL MEETINGS REGULARLY CONVENE IN JULY AND ARE ATTENDED BY HEADS OF GOVERNMENT (PREMIERS) OF ALL MEMBER COUNTRIES. THEREFORE, "CEMA SUMMIT" WILL PROBABLY BE REGULAR COUNCIL MEETING BEEFED UP BY INCLUSION OF PARTY LEADERS AS WELL. ALTHOUGH SUCH A MEETING WILL INDEED BE A SUMMIT SESSION, IT MAY NOT HAVE IMPACT OF MEETING ORGINALLY SCHEDULED TO TAKE PLACE LATE IN 1975, PRIOR TO BEGINNING OF ALL CEMA FIVE-YEAR PLANS AND CPSU CONGRESS.
STOESSEL

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: ECONOMIC DEVELOPMENT, ECONOMIC COOPERATION, SUMMIT MEETINGS, DIPLOMATIC DISCUSSIONS
Control Number: n/a
Copy: SINGLE
Draft Date: 24 JAN 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: ShawDG
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976MOSCOW01075
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D760029-0018
From: MOSCOW
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19760125/aaaaavqo.tel
Line Count: 130
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EUR
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: ShawDG
Review Comment: n/a
Review Content Flags:
Review Date: 30 MAR 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <30 MAR 2004 by KelleyW0>; APPROVED <28 JUL 2004 by ShawDG>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: INOZEMTSEV ON CEMA SUMMIT, SOVIET PARTICIPATION IN SOLUTION OF WORLD ECONOMIC PROBLEMS
TAGS: PFOR, EEWT, UR, RO, XH, COMECON, CEMA, (INOZEMTSEV, N N)
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006